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To: Interested Parties

From: Ann Marie Anderson, CPA
Single Audit Section

Re: 2013 update to the *DHS Audit Guide*

All audits involving DHS funding are to be performed in accordance the *DHS Audit Guide*, which incorporates the *Main Document to the State Single Audit Guidelines*. The 2013 update to the guide is now available at www.ssag.state.wi.us.

The Office of Management and Budget (OMB) has released its "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards" ([Federal Register, December 26, 2013](#)). This new policy will replace various federal policies related to grants, including OMB Circular A-133, as the various provisions become effective over the next year or two, and we will also substantially revise state audit guidance to implement the federal changes. In the meantime, we are keeping the changes for the 2013 revision to the *DHS Audit Guide* to a minimum:

- Section 1.9 – Updated the effective date for this update.
- Section 1.11 – Changed the guidance on sending audit report to DHS c to require that all reports be in pdf format sent to DHS by the auditor and provide guidance on creating the pdf document.
- Section 2.3.4 and Illustration 2.3.4 – Clarified that the "Settlement of DHS Cost Reimbursement Award" is required for each award (i.e. contract or grant) when all of the following conditions are met:
 - The auditee is a nonprofit, a for-profit, or a local unit of government *other than* a county, tribe, Chapter 51 board, or school district,
 - The auditee received payments totaling \$100,000 or more directly from the Department of Health Services, and
 - The payments were based on reported allowable costs or limited to an allowable cost basis.

Please send questions to DHSAuditors@Wisconsin.gov.